

**Joint Hearing of the Committees on Health, Education, Labor and
Pensions and Finance**

**Hearing on
Child Care: Supporting Working Families**

**Opening Statement of
Senator Paul D. Wellstone**

March 19, 2002

I would like to begin this afternoon by thanking Senators Dodd and Breaux for holding this hearing. This is such an important topic, and one that deserves both our time and attention. I would also like to extend my thanks to each of the witnesses who are here today. Your knowledge on the subject of today's hearing – the important role that child care plays in the lives of working parents and their children – is quite exceptional, and your expertise is most valuable to this Committee. Again, I thank each of you in advance for your appearance before this committee today.

This subject, one that is always important to working families and their children, takes on a special significance this year as we begin to consider reauthorizing CCDBG and TANF. Particularly in light of the President's proposal to require that 70 percent of the TANF caseload be working 40 hours per week, I think now even more than ever we must ask one critical question: Who is caring for the children of working parents, and how are those parents expected to pay for that care?

The need for child care has become a fact of life for the majority of families in this country. Nearly 60 percent of mothers of children younger than 1-year of age work for pay, and almost 80 percent of mothers with children younger than 13 are in the paid labor force. At 70 percent, my own state of Minnesota has the highest rate of female labor force participation of all the fifty states. These women work because they have to, with the majority bringing home at

least one-half of their family's earnings.

More than 3 out of 5 Minnesota preschoolers spend at least part of their day in child care, and more than half a million Minnesota children twelve years of age or younger have working parents. Yet if a mother with two young children were to call the Greater Minneapolis Day Care Association today to ask for child care assistance, she would be told she has to wait 12 to 18 months before a subsidy will be available. In the meantime, it isn't as though her need for child care simply disappears. This mother will have to either figure out a way to cover the \$900 a month she can expect to spend on care, she can piece together a patchwork of unlicensed and unregulated care, or she can quit her job. Unfortunately, none of these is an acceptable answer for her.

It is a truism that working mothers in this country are a vital part of the paid labor force, making significant contributions to both the national economy and their families' well-being. And as more and more women have entered the paid labor force, either pulled into the market by labor shortages and rising wages or else pushed into the market by changes in the welfare laws, more and more young children are in child care. Yet it isn't at all clear that they are in high-quality, developmental care – in fact, much of the evidence suggests that they are far more likely to be in some sort of custodial care, left to sit alone watching hour after hour of television perhaps.

Of course, it should come as no surprise to anyone to learn that many of our children are receiving poor quality, if not actually dangerous, child care. Professional, quality child care is inevitably hard to find in a marketplace where child care teachers don't even earn as much as funeral attendants or garbage collectors. Child care workers earn an average of only \$15,430 per year – about \$2500 *below* the poverty line for a family of four. Add to that the fact that child care workers typically don't receive any benefits or paid leave, and it's no wonder that the industry sees about a 30 percent turnover every year. How can we possibly even pretend that we expect our children to receive quality, developmental child care when we refuse to make the

investments that would allow child care workers to at least earn a living wage?

We know that high quality early education and child care is vital to the future well-being of children, and that it is a key component of school readiness. Yet the earliest years of a child's life is the only time when her education is almost entirely unsubsidized. We have created a child care delivery system in this country that is almost entirely dependent on the marketplace, with parents responsible for almost 60 percent of the cost of care. Is there anyone – anyone – who doesn't understand that the kind of highly skilled, labor intensive child care that truly prepares our youngest children for a lifetime of learning costs far, far more than parents can possibly afford on their own? It's ridiculous that we have created a situation in which parents can't afford to pay any more and workers can't afford to earn any less. This is a system that is simply collapsing under its own weight.

Tuition for full-day child care in the U.S. can easily cost more than college tuition, and many parents accrue significant debt – often on their credit cards at outrageously high interest rates – trying to pay for the cost of care. More than one in four families with young children earn less than \$25,000 a year, and \$4,000 or \$6,000 or \$10,000 a year for child care is just more than these families can afford. In Minnesota, the average cost for center-based infant care is \$6,344 per year – 59 percent of the “take home” pay for a parent earning minimum wage, or 17 percent of the state median wage. There is simply no way a family can afford to spend more than half of its income on child care, but not all families in Minnesota can get the assistance they need. As of January 1, 2001, we had nearly 5,000 children on a waiting list for child care assistance. It's overwhelmingly clear to me, and should be to every one of my colleagues – we simply must increase the federal investment in child care.

The current system of child care delivery in the U.S. is not working. Families often cannot find the quality care that they need, and when they can find it, they can't afford it. All too often we find that families are forced to rely on a

patchwork of childcare – pleading with family members, trading with neighbors, or sometimes, in desperation, even leaving children unattended. This should not be a partisan issue: we know that the earliest years of our children’s lives are among the most critical for their intellectual and emotional development. We know that this development is helped by high quality child care and hindered by poor quality care. We know that parents often cannot find the kind of high quality care they want for their children, and that even when they can find it, they often can’t afford it. We know that the current level of federal investment serves barely 12 percent of children eligible for assistance. And we know that our children are never going to come to kindergarten “ready-to-learn” if they don’t receive high-quality child care when they are very young.

I have to ask, what it is that’s so confusing for people? Making a substantial national investment in child care is not only good for our children, it’s good for our country. We want our children to come to school ready to learn, to study math and science in high school and college, to be competitive in the world market as adults. Well when do you propose we intervene to ensure that all of this happens? How can children come to school “ready to read” if we fail to give them the tools and resources they need before they get to school?